



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
UTU-78405  
(UT-923)

CERTIFIED MAIL--Return Receipt Requested

NOV 10 2005

Mr. Dave Lewis  
American Gilsonite Company (AGC)  
29950 South Bonanza Highway  
Bonanza, UT 84008

Re: Mobilization for the I-30 Mine Site, UTU- 78405

Dear Mr. Lewis:

BLM has reviewed your request to start mining on Federal Lease UTU-78405. You are approved to start mobilizing equipment and facilities onto the site. AGC should not create new disturbances such as installation of new utility poles or buried lines until BLM approves an operating plan in accordance with 43 CFR 3592.1.

On December 1, 2004 this lease was readjusted to a Federal Gilsonite lease that is subject to regulation by BLM. AGC is not approved to produce Gilsonite until an operating plan is submitted and approved. Enclosed is a outline of the information that BLM will need in order to approve the plan. NEPA will have to be performed due to the fact that an escapeway was not approved or put into service when the original plan was approved by DOGM/SITLA. Gilsonite haulage on the section of road that lies between the lease and SR 54 road to Little Bonanza will not be allowed until a right-of-way is approved by the Vernal Field Office. Both the mine plan and right-of-way can be analyzed on the same NEPA action.

If you require further information please contact Mr. Stan Perkes, (801) 539-4036.

Sincerely,

Gregg Hudson

For James F. Kohler  
Chief, Solid Minerals Branch

Enclosure

cc: Vernal Field Office  
Utah Division of Oil, Gas, and Mining (Attn. Doug Jensen)  
Mine Files - UTU-78405  
Chron

SP-SA 78405I-30mobilization ok 11-07-2005

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Enclosure:

Gilsonite Mining Plan approval

**I. Owner ship**

A. The names, addresses and telephone numbers of those responsible for operation to whom notices and orders are to be delivered:

B. Names and addresses of the Lessees

C. Federal Lease Serial Number

D. Names and addresses of surface and mineral owners of record, if other than the United States

**II. Maps**

A. Map to show topography and lease boundary

B. Map (plan view) to show surface facilities including shaft, escape ways compressor housings etc

C. X-Section map showing mining sequence

D. Others as deemed necessary

**III. Description of the Affected Lands**

A. Vegetative Cover

B. Climate and air quality

C. Indigenous wildlife

D. Past and present land use

E. Surface Waters

F. Ground Water

G. Soils and subsoils

H. Acres disturbed

I. Access to the site including road construction width and length

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#### **IV. Geology**

- A. General Description including generalized stratigraphic section
- B. Reserves on each Federal Lease
- C. Proposed cutoff grade and minimum mining thickness
- D. Maps showing gilsonite thickness

#### **V. Mining Plan and Methods of Operation**

- A. General Mine, company or corporation description.
  - 1. Start up
  - 2. Mine Production Capacity
  - 3. Ore Grade
  - 4. Planned monthly Production Rate
- B. Mining Plan
  - 1. Shaft Design and location
  - 2. Ventilation fans and capacity
  - 3. Men and Material Hoist
  - 4. Layout, sequence of mining and timing
- C. Mining
  - 1. Explanation of how Ultimate Maximum Recovery (UMR) will be achieved
  - 2. Number of personnel and job
  - 3. Total Number of Employees
  - 4. Equipment list (or statement of as-built equipment list will be provided)
  - 5. Planned extraction method

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6. Sequencing details to establish escape shaft
7. Estimated Recovery Factors
8. Size of Pillars (Boundary Pillars 50 feet or exclusion)

D. Mine Design/ Type

E. Blasting Method

F. Ground Control

G. Overall Mine recovery

H. Ventilation Plan

I. Haulage System

J. Subsidence Control

K. Future Mining

L. 5 Year Mining Description

M. Tailings/Waste Disposal or location

N. Plant Process Flow

#### **VI. Ground Water/Water Use**

A. Depth (Anticipated) of Water Table

B. Discharge

1. Sampling

C. Sampling parameters

D. Water Rights used and ownership

B. Ground Water/Water Use

1. Discharge

2. Sampling rate

3. Sampling parameters

4. Water Rights used

5. Sedimentation

6. Soil erosion

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C. Water impoundments

**VII. Control Measures**

1. Fire
2. Soil erosion,
3. Pollution of surface (Gilsonite dust control when loading)
4. Ground water pollution,
5. Pollution of air (Including bag house or filtering specifications)
6. Damage to fish and wildlife
7. Hazards to public Safety and Health.

**VIII. Reclamation Plans**

- A. Narrative that addresses the environmental aspects associated with the proposed mine
- B. Reclamation Schedule.
- C. Proposed methods of soil preparation including fertilizer.
- D. Seed Mix or commitment that BLM will be contacted for seed mix.
- E. Type of planting method.
- F. Method of abandonment (Drawing of proposed shaft closure) and statement that final closure plan will be submitted and approved by BLM prior to closure.
- G. Season when planting will commence.

**IX. Production Verification**

Submission schedule showing maps will be submitted to BLM for verification and frequency of vein thickness

**X. Cultural, Archaeological, and Paleontological Feature:**

**XI. Other**

- A.. Hazardous waste- Source, use, disposal plan or statement of 10,000 lbs
1. Spill Control Plan
- B. Noxious Weeds – Plan to control as per Utah State Dept of Ag and County extension
- C. Exploration (If necessary)
1. Type of Exploration
  2. Hole or Trench size (dimension)

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3. Equipment
4. Type of drilling (air or water)
5. Mud pits (maximum dimension)
6. Location (Description and Map)
7. Access location and type
8. Work pads necessary
9. Type and form of data to be provided.

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